

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Great Plains Regional Office 115 Fourth Avenue S.E. Suite 400 Aberdeen, South Dakota 57401



IN REPLY REFER TO: DESCRM MC-208

MAY 1 0 2012

MEMORANDUM

TO:

Superintendent, Fort Berthold Agency

FROM:

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Regional Director, Great Plains Region

SUBJECT:

Supplemental to Environmental Assessment

A Categorical Exclusion (CE) has been completed in compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended. The proposed Supplemental Categorical Exclusion is for information tiering off of an existing Environmental Assessment. The CE authorizes land use for an additional well on the Grassy Knoll #2-11H well pad, for the expansion the Right-of-Way for installation of a utility corridor, and to add a gathering line spur to tie into the Saddle Butte trunk line on the Fort Berthold Reservation.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the Categorical Exclusion.

If you have any questions, please call Marilyn Bercier, Regional Environmental Scientist, Division of Environment, Safety and Cultural Resources Management, at (605) 226-7656.

Attachment

cc: Tex Hall, Three Affiliated Tribes (with attachment)
Elgin Crows Breast, THPO (with attachment)
Derek Enderud, BLM, Dickinson, ND (with attachment)
Ryan Krapp, Carlson (with attachment)
Eric Wortman, EPA (with attachment)
Jeffrey Hunt, Fort Berthold Agency



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IN REPLY REFER TO: DESCRM MC-208

EXCEPTION CHECKLIST FOR BIA CATEGORICAL EXCLUSIONS

Date: May 9, 2012

Project: Supplement to Environmental Assessment for One Additional Well on the Owl Comes Out 7-8-9H Well Site

Nature of Proposed Action: <u>WPX Energy Williston, LLC (WPX)</u> formerly known as <u>Dakota-3 E&P</u> Company, LLC (Dakota-3 E&P), is proposing to drill one additional well on the previously approved Owl Comes Out 7-8-9H well site formerly known as the Owl Comes Out #7-1H, #7-2H & #7-3H. There will be no additional surface disturbance outside of a previous approved location. This document is tiered to an Environmental Assessment: Dakota-3 E&P Company, LLC, D-3 Owl Comes Out #7-1H, #7-2H & #7-3H, D-3 Stink Gun #7-1H, #7-2H, #7-3H & #7-4H (September 2011).

Exc	Elusion category and number: 516 DM 10.5 F (1)	_			
Evaluation of Exceptions to use of Categorical Exclusion:					
1.	This action would have significant adverse effects on public health or safety.	No <u>X</u>	Yes		
2.	This action would have an adverse effect on unique geographical features, such as wetlands, wild or scenic rivers, refuges, floodplains, rivers placed on nationwide river inventory, or prime or unique farmlands.	No_X_	Vac		
	Tiver inventory, or prime or unique farmands.	NOA	1 65		
3.	The action will have highly controversial environmental effects.	No <u>X</u>	Yes		
4.	The action will have highly uncertain environmental effects or involve unique or unknown environmental risks.	No <u>X</u>	Yes		
5.	This action will establish a precedent for future actions.	No <u>X</u>	Yes		
6.	This action is related to other actions with individually insignificant, but cumulatively significant environmental effects.	No <u>X</u>	Yes		
7.	This action will affect properties listed or eligible for listing in the National Register of Historic Places.	NoX	Yes		

8.	This action will affect a species listed, or proposed to be listed as endangered or threatened.	No X	Yes	
9.	This action threatens to violate federal, state, local or tribal law or requirements imposed for protection of the environment.	No <u>X</u>	Yes	
10	This action will have a disproportionately high and adverse effect on low income or minority populations.	No <u>X</u>	Yes	
11	This action will limit access to, and ceremonial use of Indian sacred sites on federal lands by Indian religious practitioners, or significantly adversely affect the physical integrity of such sacred sites.	No <u>X</u>	Yes	
12	This action will contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area, or may promote the introduction, growth, or expansion of the range of such species.	No X	Yes	
A	'yes" to any of the above exceptions will require that an	EA be prep	ared.	
NE	EPA Action CE X EA			
Pre	eparer's Name and Title: <u>Jeffrey Davis, Environmental l</u>	Protection S	pecialist_	
Co	ncur: Actional Office/Agency Environmental Coordinate	Date: <u>5 -</u> or	9-2012 /10/12	7
Â	Regional Director/Superintendent	<i></i>		

ENVIRONMENTAL ASSESSMENT Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office Aberdeen, South Dakota



WPX Energy Williston, LLC

Addendum to Environmental Assessment to Authorize an Additional Well Bore on the Owl Comes Out Well Pad

Fort Berthold Indian Reservation

May 2012

For information contact:
Bureau of Indian Affairs, Great Plains Regional Office
Division of Environment, Safety and Cultural Resources Management
115 4th Avenue SE, Aberdeen, South Dakota 57401
(605) 226-7656

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1.0 Purpose and Need of Action

WPX Energy Williston, LLC (WPX) formerly known as Dakota-3 E&P Company, LLC (Dakota-3 E&P) is proposing to drill an additional horizontal oil and gas well bore on the Fort Berthold Reservation to develop the commercial potential of natural resources. Developments have been proposed on land held in trust by the United States in McLean County, North Dakota. The Bureau of Indian Affairs (BIA) is the surface management agency for potentially affected tribal lands and individual allotments. The BIA also holds title to subsurface mineral rights. The economic development of available resources and associated BIA actions are consistent with BIA's general mission. Leasing and development of mineral resources offers substantial economic benefits to the Three Affiliated Tribes of the Mandan, Hidatsa, and Arikara Nations and to individual tribal members.

The purpose of the proposed action is to authorize WPX to add an additional well bore on the previously approved Owl Comes Out 7-8-9H well site, formerly known as the Owl Comes Out #7-1H, #7-2H & #7-3H (Figure 1). The initial plans included three well bores the Owl Comes Out #7-1H, #7-2H & #7-3H which will be renamed Owl Comes Out 7-8-9HD, 7-8-9HY, and 7-8-9HX. The additional well bore, the Owl Comes Out 7-8-9HC, will be drilled on the approved Owls Come Out well pad.

In good faith effort to increase protections to the Lake Sakakawea WPX has redesigned the pad site without increasing the disturbance area to increase the volume of the two storm water control and emergency containment basins to accommodate approximately 3.25 acre-feet each. These basins will be lined with high density polyurethane (HDPE) and will contain direct surface water runoff of the pad to evaporate or be removed if necessary.

The Owl Comes Out 7-8-9H will connect to the Van Hook Gathering System as specifically outlined in the Right-of-Way Expansion and Reroute to the East Van Hook Gathering System Environmental Assessment Addendum (VHGS, 2012). All procedures and commitments made therein will be adhered to. No additional right-of-way is needed.

2.0 Authorities

Oil and gas exploration and development activities are conducted under authority of the Indian Mineral Leasing Act of 1938 (25 United States Code [USC] 396a, et seq.), the Indian Mineral Development Act of 1982 (25 USC 2101, et seq.), and the Energy Policy Act of 2005 (42 USC 15801, et seq.).

3.0 Legal Land Descriptions of Proposed Action

The Owl Comes Out 7-8-9H well site is located in the NW ¼ of the SE ¼ of Section 7, Township 150 North, Range 91 West, McLean County.

4.0 Scope of Work for Proposed Action

This additional well, Owl Comes Out 7-8-9HC, will be drilled on the previously approved pad site. This proposed action will not require any additional surface disturbance.

5.0 Cultural and Natural Resource Surveys

No additional surveys for cultural or natural resources were conducted as the previously approved surface use area increase size or orientation. WPX will comply with the mitigation measures specified in the original EA. All other conditions and findings of the original EA and EA Addendum will remain in effect. Based on the mitigation measures committed to by WPX, no significant impacts to natural and cultural resources are anticipated. All other conditions and findings of the original EA will remain in effect.

6.0 Applicable National Environmental Policy Act (NEPA) Document(s)

Environmental Assessment: Dakota-3 E&P Company, LLC, D-3 Owl Comes Out #7-1H, #7-2H & #7-3H, D-3 Stink Gun #7-1H, #7-2H, #7-3H & #7-4H. September, 2011. Finding of No Significant Impact. September, 2011.

Addendum to Environmental Assessment to Authorize Dakota-3 E&P Company, LLC, Right-of-Way Expansion and Reroute to the East Van Hook Gathering System. January, 2012. Finding of No Significant Impact. February 13, 2012.

7.0 Other Relevant Documentation

VHGS, 2012. Environmental Assessment Addendum: Dakota-3 Exploration and Production, LLC, Right-of-Way Expansion and Reroute to the East Van Hook Gathering System (VHGS) Report submittal to BIA: January, 2012

SWCA, 2011. Authors: Stephanie Lechert Title: A Class I and Class III Cultural Resource Inventory of the Dakota-3 Owl Comes Out #7-1H, #7-2H and #7-3H Well Pad and Access Road on the Fort Berthold Indian Reservation, McLean County, North Dakota.

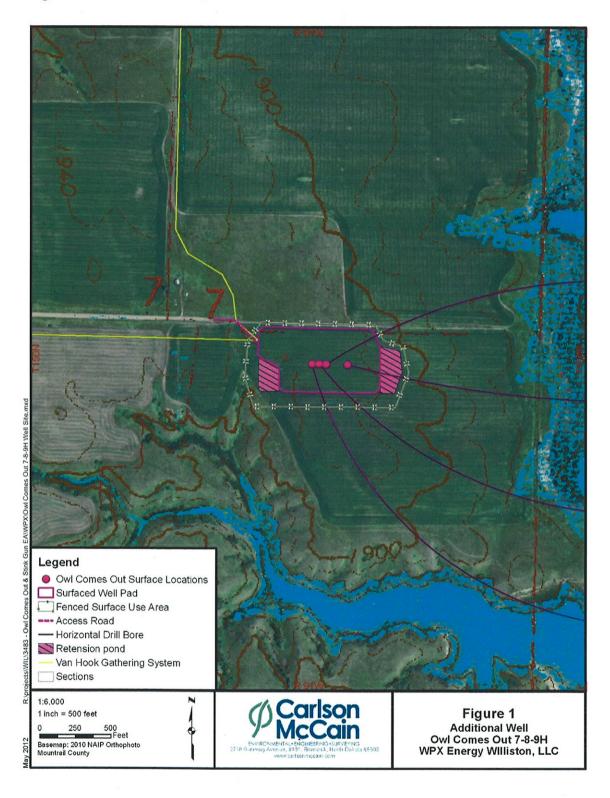
8.0 NEPA Adequacy Criteria

This document has identified a previously prepared NEPA document, Environmental Assessment: Dakota-3 E&P Company, LLC, D-3 Owl Comes Out #7-1H, #7-2H & #7-3H, D-3 Stink Gun #7-1H, #7-2H, #7-3H -4H (September 2011); which adequately describes the environmental consequences of the newly proposed action described herein, and meets the following NEPA Adequacy Criteria.

1. The proposed action is substantially the same action and at the site specifically analyzed in the existing NEPA document.

- 2. The range of alternatives is reasonable with respect to the current proposed action in the existing NEPA document, which appropriately considers and analyzes current environmental concerns, interests, and resource values.
- 3. The existing analysis and conclusions are adequate in the existing NEPA document. The analysis is still valid in light of new studies or resource assessment information.
- 4. The methodology and analytical approach used in the existing NEPA document continues to be appropriate for the proposed action.
- 5. The direct and indirect impacts of the proposed action are unchanged from those identified in the existing NEPA document.
- 6. The cumulative impacts that would result from implementation of the proposed action are unchanged from those analyzed in the existing NEPA document.
- 7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA document.

Figure 1. Owl Comes Out 7-8-9H Well Pad



APPENDIX A

Plats, Drawings, and Diagrams for the Owl Comes Out 7-8-9H Pad